

From: beth@progressiveinvestment.com [mailto:beth@progressiveinvestment.com]
Sent: Monday, April 24, 2006 6:35 PM
To: Cox, Billy
Subject: Investment firm urges National Organic Standards Board to uphold organic standards

April 24, 2006

Billy Cox
Director, Public Affairs
Agricultural Marketing Service
C/O National Organic Standards Board
Rm 3510-S
Washington, DC 20250

Dear Mr. Cox,

As investment advisor to Portfolio 21, a global mutual fund that invests strictly in companies that are incorporating principles of environmental sustainability into their business strategies, we write to you today to urge you to uphold the values of organic foods and dairy products.

As the Cornucopia Institute points out in its recent report entitled "Maintaining the Integrity of Organic Milk", consumers have been willing to pay premium prices for certified organic products. This premium is paid with the understanding that the food has been raised in a sustainable, environmentally friendly manner. Over the past several years the market has witnessed an increased consumer demand for organic products. In response to this growing demand for premium priced environmentally sound and ecologically produced products, large agribusiness corporations have acquired majority shares in numerous organic companies. Interestingly, more and more large food companies such as Dean Foods and Kraft Foods are not branding their newly acquired organic product lines with their corporate labels, rather many are choosing to leave their ownership status off the label thereby capitalizing on the good name of the original organic brand.

As a research analyst at an environmentally and socially responsible investment firm it is my job to research corporate environmental integrity. It is this in-depth research that allows me to keep abreast of the latest developments in the organic industry as well as recent agribusiness acquisitions. As a result, it has come to our attention that these agribusinesses are lobbying heavily to lower organic standards and have disproportionate representation in the NOSB. However, everyday consumers do not have this research at bay, nor should they need to. Consumers seeking organically labeled products should not have to second-guess their buying decisions. As the agency within the USDA commissioned to provide guidance for organic law, it is up to the National Organic Standards Board (NOSB) to ensure that food produced and labeled as organic remains free from genetically modified organisms, sewage sludge, antibiotics, pesticides and factory farms production methods.

To ensure the integrity of organics it is imperative that the NOSB remain a diversified and democratic organization. An organization in which high powered and heavy fistled agribusinesses are not given additional voting power or additional seats, i.e. when vacancies arise that are legally designated for a "consumer/public interest representative" these seats shall not be given to employees or consultants working on behalf of large food corporations. For when agribusinesses

are given the power to ignore, override, or change the organic standards they are in essence eroding the overall value of the organic label; moreover they are erasing the differentiating factors that allow these products to be sold at a premium. This will not create stable conditions in the organic industry and consumers will respond to lowered standards accordingly as the information becomes widely available. In this age of internet communications, that process won't take long should the organic standards be compromised.

As investors in the natural and organics products industry, we encourage you to strengthen the adherence to the organic standards. More specifically we urge you to not let the large food corporations who are looking for a piece of the "organic pie" influence and subsequently weaken these standards or their application.

Regards,

Beth Williamson

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